

OEJAPS Resource Centers

Fraud Pitches: Why They Work and What You Can Do About It

March 15th, 2023

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ACL Office of Elder Justice and Adult Protective Services Resource Centers

- [Adult Protective Services Technical Assistance Resource Center](#) (APS TARC)
- [National APS Training Center](#) (NATC)
- [National Center on Elder Abuse](#) (NCEA)
- [National Center on Law & Elder Rights](#) (NCLER)
- [National Indigenous Elder Justice Initiative](#) (NIEJI)
- [National Long-Term Care Ombudsman Resource Center](#) (NORC)
- [National Pension Assistance Resource Center](#) (NPARC)
- [National Resource Center on Women and Retirement](#) (NRCWR)

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Housekeeping

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- All attendees will receive an automatically generated email approximately 24 hours after the webinar ends with a link to a certificate of attendance.
- Please complete our brief webinar survey when prompted – we appreciate the feedback!

Attendee Poll

What profession do you identify most closely with?

- social services professional
- legal assistance professional
- medical professional
- justice professional
- other

Our Speakers

- **Hilary Dalin**, Director, Office of Elder Justice and Adult Protective Services, Administration on Aging, Administration for Community Living, U.S. Department of Health and Human Services
- **Jacqueline Blaes-Freed**, Assistant Director, Consumer Protection Branch, United States Department of Justice
- **Marti DeLiema**, PhD, Assistant Professor, University of Minnesota School of Social Work
- **Gary Mottola**, PHD, Research Director, FINRA Investor Education Foundation
- **Mark Vanderscoff**, Public Guardian/Public Conservator for the County of Marin
- **Amanda Reyes**, Senior Program Coordinator, Marin County Area Agency on Aging

Opening Remarks



Hilary Dalin

Director, Office of Elder Justice and Adult
Protective Services

Administration on Aging

Administration for Community Living

U.S. Department of Health and Human
Services

Opening Remarks

Jacqueline Blaes-Freed

Assistant Director

Consumer Protection Branch

United States Department of Justice

Our Speaker



Marti DeLiema, PhD

Assistant Professor

University of Minnesota School of Social
Work

A background graphic featuring a complex network of interconnected nodes and lines. The nodes are represented by circles in various shades of purple, blue, and yellow, with some nodes being larger than others. The lines connecting them are thin and light-colored, creating a web-like pattern across the entire image.

“The Pitch” Tactics Scammers Use to Convince Consumers to Buy Gift Cards



The Scammers' Pitch

The
Pitch:

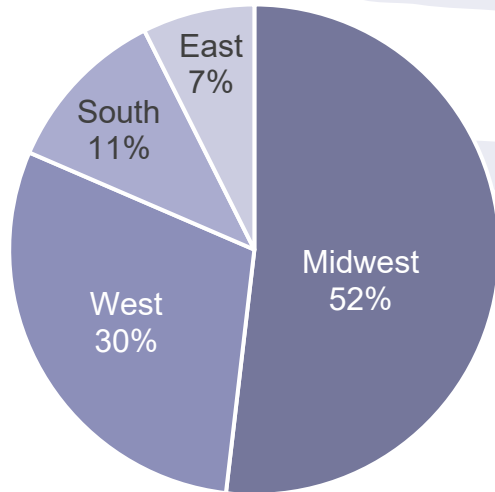
The **tactics and communication styles** scammers use to convince and coerce their targets to **believe their stories** and **comply with their demands for money**.

Many of the same **emotional devices and scripted maneuvers** are used by scammers in many different types of scams.

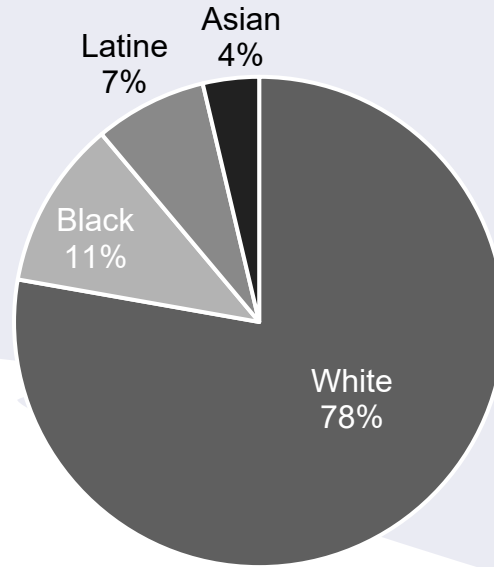
AARP Gift Card Payment Scam Study

Goal: understand the emotional and financial consequences of gift card payment scams and the factors driving compliance with the fraud.

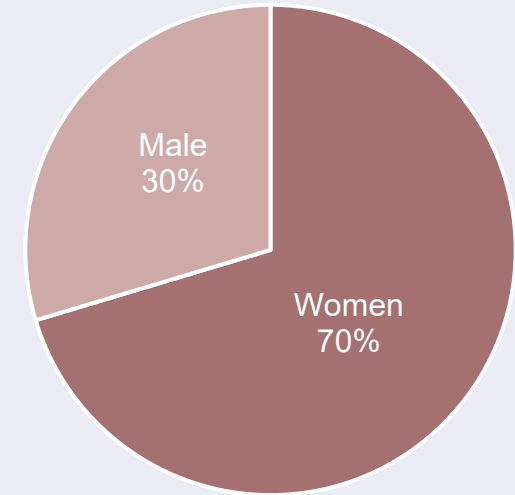
Participant region



Participant race



Participant gender



Interviews

- 27 Participants
- 30-min Zoom interviews
- Participants recounted the scam in detail

Characteristics

- 22 lost a total of \$55,000+ (5 attempted)
- 70% were over 50 years old
- Many participants visited multiple stores

Types of Scams Victims Experienced

- Romance scams
- Government imposter scam – IRS and jury duty
- Employment scams (including bogus check fraud)
- Business impersonation (utilities, Amazon, etc.)
- Tech support scams
- Family/friend imposter
- Online marketplace fraud
- & more...

All scams involved one or more perpetrators who were **well-versed in effective messaging** and in strategies to **provoke emotional arousal (positive or negative)**.


Tactics included:

- Threats of financial loss or punishment
- Promises of reward – a job, romance, etc.
- Urgency
- Authority
- High pitched noises
- Demands for privacy and confidentially

In addition, scammers maintained a calm and knowledgeable demeanor, often presented themselves as ‘helpers’ who were able to remedy a stressful situation.




Scam Tactics



*“And they were basically saying there was a warrant out for my arrest and **the cops were on their way**. They were on their way to come get me **right then and there**.”*

- Missed jury duty scam respondent



*“So I was working online on my computer and all of a sudden the **screen froze and there was this loud noise**, it sounded like when your smoke alarm goes off, but coming through a foghorn, it was really, really, really loud. And then this **red flashing light** came onto my screen that said, ‘**Your computer has been hacked. Contact Microsoft Support immediately** at this number,’ which I did.”*

--Tech support scam respondent

Fear & Emotional Arousal

Participants described entering highly affective mental states that **prevented them from processing** warning messages, red flags, and even personal appeals to stop from retail workers.

Described the states as being “in the clouds,” having “a reptile brain”, and “in panic mode.”

Scammers evoke fear using compelling storytelling:

- Threat of arrest
- Hackers took over device
- Financial loss
- Missed bill payments=power shut off
- Bank account & identity compromised

Other tactic to maintain the victims' mental states: Demand secrecy

Scammers want to **keep the target on the phone** continuously, instructing them not to ever hang up. This way **they can maintain the pressure** and surveil the target's behavior.

They also tell targets **not to tell anyone else** and to lie to anyone who might ask about the purpose of buying gift cards.

Tactics that increase the plausibility of the situation



Conferencing in the target's 'bank'



Knowing about where places are located in the target's town



Have "employee ID #s" ready if the target questions their credibility



Have an excuse for anything that seems suspicious or implausible

*“And I said, “Oh, well I’ll just contact my bank.” And he said, “You won’t be able to contact the bank because it’s a bank holiday, and we need to stop this right away. **Let me link you to your bank support person. I’ll get her on the line too.**” So then this woman came on the line and said she was from my credit union and quoted all my bank balances to me, of course, because there’s my bank account open. And then she said in this really calm voice, “Just take some deep breaths, it’s going to be okay. Get a drink of water. Do you have access to transportation?” And I said, “Yes.” And she said, **“Keep me on the phone and keep your computer open.***

- Continued on next slide...

*And so the tech support person's going to continue working on your computer, but they have just charged \$5,000 to your Visa account. And because the bank is closed, here's what I want you to do. **I want you to get in the car, keep your phone open and drive to Walmart and buy \$5,000 worth of gift cards to Apple** and let me know when you've done that and then I can cancel the charge and we'll be able to stop this hacking person from getting into your financials.”*

- Amazon imposter and bank imposter scam respondent

Tactics that increase the target's trust



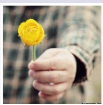
Reciprocity – I'm here to help you, but you need to help me too



Scapegoating – Deflecting suspicion by saying other entities are at fault or are behind the problem



Asking personal questions, such as “tell me about your grandkids”



Showing some compassion – allowing the target to rest, to go home to let their dog out



The gig is up

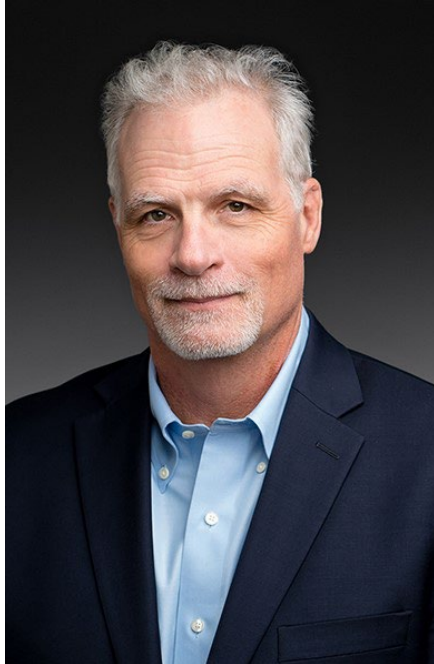
How the scams ended

- Scams ended when the target either received a **direct intervention** - from friends/family members, from retail store employees, from law enforcement, or
- Scammers' requests **reached a level of absurdity** that the target became incredulous and stopped the interaction.

*"Genuinely, I feel ashamed, still to this day about it. It wasn't like shock, it was like the **part of my mind that was yelling at me the whole time finally was aligned with my consciousness** or whatever, and so it just suddenly all just kind of came forward as a realization and I just felt blank and obviously felt very dumb about it. But the shame is the thing. I didn't want people to find out that this had happened."*

-- Employment scam respondent

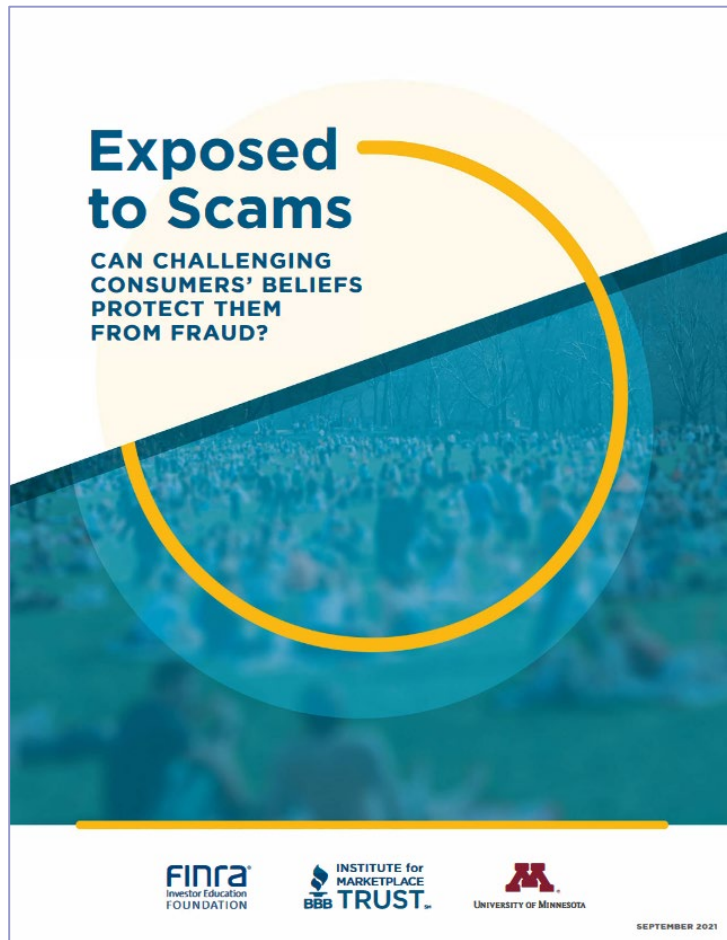
Our Speaker



Gary R. Mottola, PhD
Research Director
FINRA Investor Education Foundation

Fraud Through and Ethnographic Lens

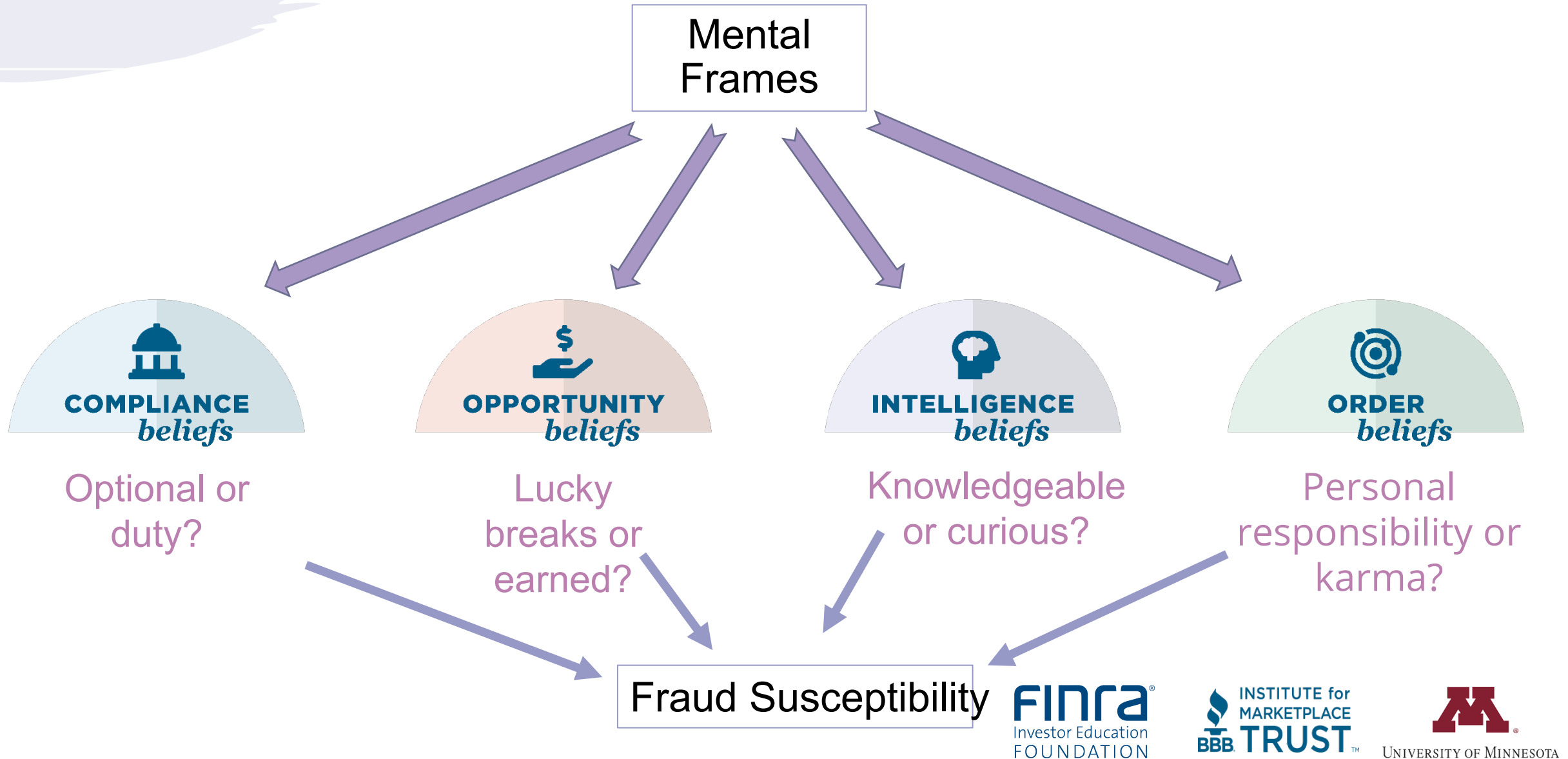
Exposed to Scams: Can Challenging Consumers' Beliefs Protect Them from Fraud?



About the Study

What Are Mental Frames?

How Mental Frames Guide Our Choices



Wrap Up

Next Steps...

Qualitative vs. Quantitative Research

Follow-up quantitative study currently underway

Possible scam susceptibility tool

Resources...

- Report
- Infographic
- Fraud Victim Videos
- Other fraud-related research

Can be found at...

<https://www.finrafoundation.org/exposed-scams-can-challenging-consumers-beliefs-protect-them-fraud>

Our Speakers



Mark Vanderscoff

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Amanda Reyes

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Marin County FAST: One County's Response to Financial Abuse



Photo Credit: Jeff Wong

What is FAST?

Financial Abuse Specialist Team



MARIN COUNTY AGING AND ADULT SERVICES

F	Financial
A	Abuse
S	Specialist
T	Team

A team that consists of both private and public sector employees who provide training and consultation on recognizing, investigating, and preventing elder abuse.

FAST Program History and Practices

- Prior to 2015
- Reestablishment
- Current Program Protocols:
 - Meetings
 - Confidentiality
 - Newsletter



Photo Credit: Jeff Wong

FAST Program Structure Today

- What is the program?
- Who runs the program?
- 21 volunteers with financial expertise

from:

- Accounting
- Law
- Business
- Banking

- What does the team do?



FAST Partners

Aging and Adult Services

Adult Protective Services

Ombudsman

District Attorney

Public Guardian

Law Enforcement

FAST Volunteer Onboarding

- Sign up and qualify as a Marin County Volunteer
- Sign a conflict of interest statement
- Sign a confidentiality oath
- Obtain criminal record clearance
- Attend bimonthly FAST meetings
- Complete any trainings required by our county: compliance, privacy, sexual harassment
- Attend FAST team meetings every other month.

FAST Program Costs

- The AAA funds the FAST program
- Staff time
- Operating costs
- WEEAD event



Photo Credit: Jeff Wong

Creating A FAST Program In Your Community

- Easy Replication
- Relying on Volunteers
- We've already been replicated in other counties
- We welcome inquiries



Thank You



Questions?